GOVERNMENT OF INDIA
TOURISM AND CULTURE
LOK SABHA

UNSTARRED QUESTION NO:2946
ANSWERED ON:09.12.2002
EFFECT ON TRAVEL AGENCIES DUE TO RECESSION
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Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) whether continuing recession in the travel trade sector would eventually snow ball into the elimination of small and medium travel agents;

(b) if so, whether the small and medium travel agencies are be set with problems like drop in airline ticket commissions, airlines giving preference to consolidators, rise in bank guarantees and TDS problems;

(c) if so, whether the Travel Agents Association of India has met recently at Kochi and sent any representations to the Government; and

(d) if so, the details thereof and the action taken thereon?

Answer

MINISTER OF TOURISM & CULTURE (SHRI JAGMOHAN)

(a) & (b) : The recession in the travel trade due to decline in tourist arrivals has affected the industry globally. However, in case of India, there is a turn around in the situation with over 16% growth in foreign tourist arrivals during October and November this year as compared to the same period last year and this augers well for the Indian tourism industry including small and medium organisations in the sector. Also, there has been a rise in domestic tourism by 32% which has helped in sustaining the travel trade sector.

(c) & (d) : The Annual Convention of the Travel Agents Association of India(TAAI) was held in Kochi from 20th to 23rd September, 2002. However, no representation has been received from TAAI in this regard.